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DE RUEHSG #0818 2432041 ZNR UUUUU ZZH O 312041Z AUG 09 FM AMEMBASSY SANTIAGO TO SECSTATE WASHDC IMMEDIATE 5409

UNCLAS SANTIAGO 000818

STATE FOR EEB/CIP

SENSITIVE SIPDIS

E.O. 12958: N/A

TAGS: <u>ECPS</u> <u>ECON</u> <u>PREL</u> <u>TSPL</u> <u>CI</u> SUBJECT: CHILE: DIGITAL TV DECISION LIKELY SOON

REF: SANTIAGO 130

- $\P 1.$ (SBU) Summary. The Chilean Minister for Telecommunications told the Ambassador that Chile would decide soon on a digital TV standard and would base its decision on careful technical analysis. His comments suggested that Chile was weighing both the U.S. and Japanese standards, but he did not indicate a preference for either. End summary.
- 12. (SBU) On August 27, the Ambassador met with Chile's Minister of Transportation and Telecommunications to advocate for the ATSC digital TV standard. The Ambassador noted the smooth transition to digital TV that took place in the United States in June 2009 and arqued that the ATSC standard offers the least amount of risk to Chilean consumers. He highlighted the ATSC's economic and technical benefits, including lower costs for televisions and converter boxes.
- $\P 3$. (SBU) Rene Cortazar, the Minister of Telecommunications and Transportation, did not endorse any standard and stated that President Bachelet will make the final decision. He explained that the GOC has completed its technical analysis of the competing standards and would make a decision before the Congress deals with a draft law on the regulatory framework of digital TV (reftel). represents a change from the GOC's previous position that it would wait to select a standard until after the draft law passed the Congress. [Note: This change likely reflects the slow progress of the draft law and not a preference for a particular standard. Note.]
- 14. (SBU) Cortazar showed a high level of understanding about the issue, and suggested that Chile has learned a great deal about each standard during its extended technical analysis. He focused the majority of his comments on the differences between the ATSC and Brazilian-Japanese standards, a possible indication that the European standard is out of the running. He said there are many factors to weigh and emphasized the need to look at the details of each standard.
- 15. (SBU) Background note: On August 7, Chilean press reported that the GOC would select the Brazilian-Japanese standard. These reports, based on comments by the chief of staff to Brazilian President Lula, were quickly denied by Chilean authorities. SIMONS

[el] Is this the main TAG for digital TV? [e2]No space between TAGS and subject